



Washington, D.C. 20505

OCA FILE

JEC

26 May 1989

Mr. Richard Kaufman
General Counsel
Joint Economic Committee
U.S. Congress
Washington, D.C. 20510

Dear Richard:

A summary follows of the results of our meeting on 15 May which discussed plans for the Joint Economic Committee to publish our GNP methodology paper, Measures of Soviet Gross National Product in 1982 Prices. At the meeting you asked how this publication differs from the 1982 volume published by the JEC, USSR: Measures of Economic Growth and Development, 1950-80. The current paper includes the following new features:

- o Updated estimates of Soviet GNP and its key components in 1982 rubles--replacing the 1970 price base used in the earlier volume--from 1950 through 1987.
- o A description of changes in estimating methods that have occurred since publication of the 1982 volume.
- o Responses to recent criticism of some of the Soviet data we use and of certain aspects of our estimating methods.

In the final version of the paper, the following modifications that you requested will be made:

- o Estimates of GNP growth in 1986 and 1987 will be shown separately--instead of average annual growth for those years--in the two summary tables at the beginning of the paper (following pages 6 and 7).
- o A brief statement of the average annual rate of inflation from 1970 to 1982--based on our estimates of GNP in the prices of both years--will be added (page 9).
- o Steven Rosefielde's view that official Soviet statistics do not contain a significant degree of disguised inflation will be acknowledged in a footnote (page 51).
- o The present references to recent Soviet estimates of inflation in the prices of consumer goods will be updated (page 65).

As discussed at the meeting, however, we will not include estimates of Soviet defense spending in the paper.

We hope to have a revised draft, including tables with updated numerical estimates, completed by 30 June. Our publications staff has agreed to prepare a camera-ready copy of the complete paper, which will take about 6 or 7 weeks to complete. In all, we anticipate having a final version ready for GPO to print by the middle of August. If this arrangement is agreeable to you, please request GPO to add the paper to its production schedule at that time.

Thank you for your help and cooperation in publishing this important paper. Please call me if you have any questions.

Sincerely,



ORIG: OCA/HA



Distribution:

Original - Addressee
1 - OCA Record
1 - MSN Chrono

STAT

STAT